



Heather Shirley Smith
Deputy General Counsel

Duke Energy
40 W. Broad Street
Suite 690
Greenville, SC 29601

o: 864.370.5045
f: 864.370.5183

heather.smith@duke-energy.com

December 2, 2019

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia SC 29210

Re: South Carolina Energy Freedom Act (H.3659) Proceeding Initiated Pursuant to S.C. Code Ann. Section 58-40-20(C): Generic Docket to (1) Investigate and Determine the Costs and Benefits of the Current Net Energy Metering Program and (2) Establish a Methodology for Calculating the Value of the Energy Produced by Customer-Generators

Docket Number: 2019-182-E

Dear Ms. Boyd:

As you may recall, on July 3, 2019, Vote Solar filed its proposed procedural path for the implementation of the net energy metering provisions as set forth in S.C. Code Ann. § 58-40-20. In its proposal, Vote Solar suggested a series of technical workshops and intervenor-only negotiations be conducted beginning in fall of 2019, along with a status conference before the Commission in April 2020 to set a procedural schedule for the remainder of the proceeding.

Pursuant to the June 26, 2019 Commission Directive filed in Docket No. ND-2019-11-E, Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP") (DEC and DEP are jointly referred to herein as the "Companies") filed their comments regarding the procedural schedule on July 5, 2019. The Companies indicated they found merit in the procedural proposal submitted by Vote Solar as it related to holding technical workshops and other informal collaborative stakeholder processes prior to establishing a litigation schedule. However, the Companies also noted that the interested parties would need to collaborate in order to reach a procedural schedule that met with the approval of all parties. Therefore, the Companies suggested that the Commission take comments from interested parties on the proposed procedural schedule by December 2, 2019.

On July 5, 2019, Dominion Energy South Carolina, Inc. ("Dominion") filed correspondence in this docket in which it suggested that no action needed to occur until January 2021. On July 8, 2019, Southern Environmental Law Center ("SELC") submitted comments in which it noted that this proceeding is not as time-sensitive as some of the other Act 62 proceedings and supported Vote Solar's outlined procedure.

The Honorable Jocelyn G. Boyd
 December 2, 2019
 Page 2

On August 1, 2019, the Commission filed a Notice of Oral Arguments in the above-referenced docket, which set oral arguments regarding procedural scheduling issues in multiple Act 62 dockets on Tuesday, August 20, 2019. On August 13, 2019, the Office of Regulatory Staff ("ORS") filed correspondence with the Commission requesting guidance on the specific procedural scheduling issues the Commission would like addressed. On August 19, 2019, DEC, DEP, Dominion, Lockhart Power Company, SELC, and the South Carolina Solar Business Alliance ("SBA") filed a joint correspondence ahead of the scheduled oral arguments to inform the Commission that the parties had agreed no action was currently required by the Commission in this docket and that the parties were in negotiations to establish a timeline for initial stakeholder discussions. On August 20, 2019, the Commission proceeded with oral arguments, at which time SBA orally submitted to the Commission that no action in this docket was required at that time.

Although no order or directive regarding the Companies' suggestion to take comments has been issued by the Commission, DEC and DEP are submitting this status update to the Commission so that the Commission may remain informed of the progress being made on the procedural issues in this docket. The Companies have been in contact with representatives of Vote Solar on its proposal and plan to continue negotiations with Vote Solar and to engage other interested parties regarding the procedural schedule in this docket and logistics regarding the proposed technical workshops. The Companies respectfully note that no immediate action is required by the Commission, and that active negotiations toward an intended resolution of the procedural issues are and will be taking place. The Companies intend to report back to the Commission by year end on the status of those discussions.

Sincerely,



Heather Shirley Smith

cc via email: Parties of record
 Thadeus B. Culley (thad@votesolar.org)
 K. Chad Burgess (chad.burgess@scana.com)
 Matthew W. Gissendanner (matthew.gissendanner@scana.com)
 J. Blanding Holman, IV (bholman@selcsc.org)
 Richard Whitt (richard@rlwhitt.law)
 James H. Seay, Jr. (jseay@lockhartpower.com)
 Bryan Stone (bstone@lockhartpower.com)